

Analysis of the Community Recreation Facility Business Case

Number	POLITICAL	ECONOMIC	SOCIAL
1	Shared municipal mandates around recreation and the desire to increase the diversity of opportunities	Lack of information on availability and eligibility for grants from other levels of government	Rural population is less homogeneous than Morinville’s urban population and a representative sample of the Morinville Area may not be a reflection of the County’s overall level of support
2	Shared desire to develop recreation infrastructure in proximity to the urban centres, close to other amenities and services	Lack of shared understanding of the changes in project resourcing, particularly around sponsorship <ul style="list-style-type: none"> • 6,185,000 in July 2018 • \$2,000,000 in August 2017 • \$5,000,000 In June 2017 	Disconnect between the declining participation rates in hockey and comparative research and the desire to add sheets of ice to the region
3	Collective understanding of the scope and phases of the project	Lack of transparency in operating budget projections <ul style="list-style-type: none"> • No operating cost estimates for debenture payments or interest • Lack of transparency in projecting startup costs 	Market context focuses on Morinville and the alignment to the Town’s Strategic Plan
4	Divergent opinions around the region’s vision and Morinville’s vision for the region.	Uncertainty around the refinery revenue and impact of competing priorities	Business Case reflects a lack of ability to grow, a number of revenue projections remain static over the first three-year period
5	Divergent opinions around the level of community support and buy-in required to move forward with funding decisions	Lack of implementation approach to validate the financial sustainability of operations <ul style="list-style-type: none"> • what opportunities exist in the market vs benchmarking against existing facilities • lack of ability to grow operations model when operating projects are based on 50 weeks and 340 days per year operation 	70 % of the 301 County residents in the area surrounding Morinville that were surveyed by the Town supported the development in Morinville

6	<p>Divergent opinions around shared decision making and common understanding on the level of collaboration</p> <ul style="list-style-type: none"> • no contact regarding facility design • no contact on facility location • cooperation in business case development • no contact over budget projections 	<p>Lack of funding model and associated project resourcing to address the projected ongoing operating deficits including a \$750,188 operating deficit in year 1 (+/- 20%)</p>	<p>Market context focused on availability of facilities in the absence of current utilization rates</p>
7	<p>Lack of consensus on priorities within phase 2 of the project (another sheet of ice or the pool)</p>	<p>Lack of correlation between leading practices around lease & rental spaces, advertising, and mitigation strategies</p>	<p>Lack of perceived value from Sturgeon County partial users and non-users</p>
8	<p>Lack of transparency around discussions with other Regional partners and Alexander First Nations</p>	<p>Magnitude of impact is high related to the County's support for the project but decisions to proceed have been made in the absence of formal commitments.</p>	
9	<p>Divergent opinions around need for financial performance (operations plan, ownership & management model, and funding strategies) prior to construction</p>	<p>+/- 25 % variance on capital cost estimates for a design, bid, build construction methodology</p>	
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	TECHNOLOGICAL	ENVIRONMENTAL	Legislative
1	No correlation between desire to access public internet to improve user experiences and any operating cost estimates	Lack of consensus on environmental standards for construction	Intermunicipal Collaboration Framework Regulation ICF's with 16 jurisdictions by 2020 <ul style="list-style-type: none"> • 5 Towns within Sturgeon's boundaries • 7 Rural municipalities • 3 Cities • Alexander First Nation
2		Lack of detailed cost benefit analysis on design elements	Lack of Governance Structure & shared decision-making model
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